GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:1929
ANSWERED ON:29.11.2007
STATUS OF INFRASTRUCTURE SECTOR TO STEEL SECTOR
Pallani Shamy Shri K.C .

Will the Minister of STEEL be pleased to state:

(a) whether the steel sector has sought to consider itself as a priority sector and to grant itself the status of `Infrastructure` sector;

(b) if so, the details thereof alongwith the action taken by the Government thereon;

(c) whether it is also proposed to set up a Steel Financial Corporation for easy availability of credit for the purchase of steel; and

(d) if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (DR.AKHILESH DAS)

(a)&(b): Ministry of Steel has received a representation from Confederation of Indian Industry (CII), an industry association, on 26.4.2007 requesting for according infrastructure status to the steel sector. This has been examined in consultation with Ministry of Finance, Department of Revenue (Central Board of Direct Taxes) and it has been replied that, since in case of steel plant there is no positive externality and all the benefits are internalized, there is no case for granting any tax holiday to the steel industry.

(c)&(d): There is no proposal with Government to set up a Steel Financial Corporation for easy availability of credit to steel purchase since the existing arrangement of Financial Institutions is serving the needs.